Agricultural extension services were begun about 1950. A, B and D had close relations with particular officers and received significant help from them.

The number of cash crop trees owned by the entrepreneurs in December 1965 is shown in Table 2, together with the number of years since that person began cash-cropping. An attempt was made to estimate the number of adult male kin and the number of employees who have worked with each entrepreneur in terms of man-years, but this was unsuccessful because the people have no clear measure of the periods of time spent by each worker with the employer. Even when the period is reasonably accurately known it is difficult to use comparatively, for relatives who assist do so only from time to time and even employees were often not paid a regular wage nor expected to work all the time.

Table 2

Commercial trees owned by entrepreneurs in December 1965

Entrepreneur	Years since cash-cropping began	Coffee trees	Cocoa trees	Coconut trees	Total trees	Acres*
A	20**	4,400	3,500	-	7,900	22.9
B	14	2,512	1,153	-	3,665	9.6
C	13	-	717	340***	1,057	8.5
D	5	-	3,337	-	3,337	13.3

* Estimated from tree figures using conversion ratios of: 500 coffee trees per acre; 250 cocoa trees per acre; 60 coconut trees per acre.

** As most of A's pre-war trees were destroyed during the war, only his post-war cash cropping experience is considered here.

*** Most of these are old coconuts which were growing before C took over.

There may be a slight relationship between number of trees and the period since cash-cropping began, but I suspect there is a greater correlation between extent of cash crops and the supplementary labour used, whether mainly from kin in the case of A, B and C, or by using loan funds as in D's case.

Retail trading, manufacturing, processing and transport

All four entrepreneurs own stores. A and B aspired to own trade stores for many years but did not establish them until they had literate sons to act as managers. The other two entrepreneurs are themselves literate. An illiterate employee operates C's store but

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212 C visits every few days and counts cash, takes stock and places orders for supplies. D. manages his own store.

(592) Illiterate store owners are entirely at the mercy of their managers and it is for this reason that A and B have preferred to entrust the work to their sons, though this policy has not always been successful. As a result of management problems in A's store, management was transferred, with apparent success, to another son, but as B has only one son he feels he has no alternative but to persevere with him. C, being literate, can provide a sufficient check on his illiterate manager at least partly because the latter assumes that literacy gives the owner greater knowledge than it does. C formerly had a literate manager who falsified the records, but says the illiterate man has proved completely reliable since he began five years ago.

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452 All the stores have been closed from time to time owing to inadequacy of money to buy stocks. This has been due to the too liberal granting of credit,[1] personal use of store stock by the owner or manager, and the use of gross store income for other purposes.

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434 All the entrepreneurs feel that trade stores provide more money for less effort than cash-cropping. For all except C this has not been the case in practice. In fact, it is likely that A and B have made little or no net profit on their total trading operations since their inception. They are aware of this, but feel that it has been due to difficulties which they now understand and which are therefore less likely to occur in future. For three of the four this is probably true, but all except C appear to expect higher future income from trading than is likely to eventuate. The stores are very small, turnover for the year 1965 averaging $956.[2] They buy their goods at a discount (inappropriately called 'wholesale') from European and Chinese retailers in Popondetta. Their turnover is too small and their knowledge of commerce too limited to enable them to buy wholesale from outside the district. Mark-up on goods has varied from nothing to 30 per cent and for a long time one of them was retailing at the nearest 10 cents above

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[1] Although they say they have a policy of not giving credit, all four have lost money from giving credit in the past. Three of
(626) the four find social pressures such that they continue to grant limited credit to close friends and close kin. In December 1965, A had about $60 unpaid credit outstanding, some of it of several months' duration; and two others had smaller amounts outstanding.

[2] Store turnover for the year for the four entrepreneurs was estimated from available records at $912, $500, $1,992 and $420 respectively.

the price at which he bought (e.g. a knife bought at 87 cents would be sold at 90 cents).

Irrespective of profits, stores are both a convenience and a source of considerable prestige to the owner.

No records of customers were kept, but from casual observation it appears that customers are either persons who are unrelated and not resident in the same locality or close kin and close friends. The more distant relatives and the residents in the owner's village often go to considerable trouble not to buy from the local entrepreneurs. They justify their avoidance with stories which depict the trader in a personally unfavourable light, though some point to the lower prices and wider range of goods in Popondetta, and others to the advantage of buying from local co-operatives which provide rebates and benefit everyone, rather than from private stores with higher prices and individual profit.

These arguments should apply equally to the customers of the entrepreneurs, but they do not seem to in practice. I assume that this is due to the fact that the entrepreneurs do provide credit, assistance with life crises and other advantages (including the attraction of close association with men of prestige) to very close friends and kin, but decline to provide these privileges to more distant kin and neighbours. These people feel entitled to special consideration and are affronted by refusal. C, the trader with the largest turnover, built his store in a village other than his own[2] and most customers come from that and three neighbouring villages. Most people of his own village of Hanau buy from a co-operative store further away. A's main clients are plantation workers, as most of his fellow villagers use the co-operative even though it involves a long walk. D's store was located on a main road until a re-routing of the road left him without his main source of clients - people walking along the road.

Since 1964, D has been buying cotton piece goods which his wife makes up on her sewing machine into skirts, dresses and shorts for sale in the store. Demand for these goods is greater than the supply and a girl is now hired part-time to assist with sewing.

A, B and D sell small quantities of garden produce or hunted meat at irregular intervals at the Popondetta market.

A undertakes commercial processing for other persons, having established a cocoa fermentary with the help of agricultural officers in 1962. The building cost $500 from his savings and an

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[1] Having limited experience in handling money most of the entrepreneurs round prices to the nearest ten cents as far as possible.

[2] The other three all have their stores adjacent to their homes.